



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 23, 2005

### **H.R. 362** **Ojito Wilderness Act**

*As ordered reported by the House Committee on Resources on May 18, 2005*

CBO estimates that implementing H.R. 362 would have no significant impact on the federal budget. Enacting the bill would increase both offsetting receipts and direct spending, but we estimate that the net change in direct spending would be negligible. Enacting H.R. 362 would not affect revenues.

H.R. 362 would designate 11,183 acres of land in New Mexico as the Ojito Wilderness and would authorize the Secretary of the Interior, under certain circumstances, to expand that wilderness to include 118 additional acres of land. The bill would direct the Secretary to take into trust, on behalf of the Pueblo of Zia, about 11,500 acres of federal land. All of the affected federal land would be withdrawn from programs to develop natural resources. According to the Bureau of Land Management (BLM), that land currently generates no significant income from such programs and is not expected to do so over the next 10 years. Therefore, we estimate that the proposed changes would not significantly affect offsetting receipts (a credit against direct spending). Based on information from BLM, we also estimate that any increase in federal spending for land management, which would be subject to the availability of appropriate funds, would not exceed \$500,000 a year.

In exchange for the federal land to be taken into trust on behalf of the Pueblo of Zia, the Pueblo would pay to the Secretary the fair market value of that land as defined in the bill. The bill would authorize the Secretary to retain and spend amounts received from the Pueblo, without further appropriation, to acquire nonfederal property in New Mexico. Based on information from BLM, CBO estimates that the proposed transaction would increase offsetting receipts (a credit against direct spending) by up to \$500,000 over the next year or two. We also estimate that those receipts would be largely offset by an increase in direct spending in the same year, resulting in a negligible net change in direct spending.

H.R. 362 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act. Enacting this bill would benefit the Pueblo and would have no significant impact on the budgets of other state, local, or tribal governments.

On February 11, 2005, CBO transmitted a cost estimate for S. 156, the Ojito Wilderness Act, as ordered reported by the Senate Committee on Energy and Natural Resources on February 9, 2005. The two pieces of legislation are identical, as are the cost estimates.

The CBO staff contacts for this estimate are Matthew Pickford, Megan Carroll, and Deborah Reis. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.